



## Call for input response

### **National Energy Action response to Ofgem's Reviewing the supplier Guaranteed Standards of Performance**

#### **About National Energy Action**

National Energy Action<sup>1</sup> works across England, Wales, and Northern Ireland to ensure that everyone in the UK<sup>2</sup> can afford to live in a warm and safe home. To achieve this, we aim to improve access to energy and debt advice, provide training, support energy efficiency policies, local projects and co-ordinate other related services which can help change lives.

#### **Background to the response**

National Energy Action supports Guaranteed Standards of Performance (GSOPs) as the practical, enforceable floor for minimum service standards, but beyond recent welcome efforts around smart metering, the current scope of GSOPs is misaligned with today's consumer concerns. The framework has not been fully reviewed since 2015 and, although payment levels were uplifted in 2025, there is a case to revisit both the scope of the GSOPs and the level of compensation they provide.

#### **Summary of our response**

GSOPs provide the practical baseline for minimum service where performance can be judged in clear yes or no terms and compensation is paid automatically. As regulation seeks to move toward a more outcomes-focused model, these firm backstops become more important so that broad principles do not dilute protection at the point of failure. A refresh should close the gap between current standards and the problems consumers report most often, building on recent smart metering progress while updating scope and enforcement around billing, complaints and prepayment risks.

Ofgem should also consider the equity of GSOPs. While the costs associated with supplier payments are effectively socialised through the price cap, the payments themselves accrue to particular consumers. It would be useful to see analysis of who receives GSOP payments by income decile, region, payment method, and vulnerability status so the distributional outcomes are clear. If evidence shows that payments mainly accrue to higher income households, corrective steps should be considered, such as refining triggers, processes, or guidance so protections better reach lower income and prepayment users who face higher risks.

Scope updates should focus on areas where harms are concentrated and automation is feasible. In practice, this points to billing timeliness and accuracy, effective complaints handling and remedy implementation, and prepayment protections that prevent or swiftly resolve off-supply

events, alongside accessible communication and readiness to mirror suitable protections for heat networks as that framework evolves.

The payment mechanism should deter failure rather than price it in. Keeping a uniform base payment that is permanently linked to CPI would help ensure deterrence does not fade between reviews, with repeat payments applying where the same breach persists and simple reset points to keep administration straightforward. Limited harm-based tiers could be considered where triggers are objective and automatable. Monitoring and assurance should scale with any broader scope through automated breach detection and payment, standardised reporting with auditable records, and periodic publication of supplier level results.

### **Answers to the call for input questions**

#### **Question 1. Do you have any views on how the GSOP should be used to deliver good consumer outcomes as part of our wider regulatory toolbox?**

If Ofgem is to pursue a more outcomes-based regulatory framework, GSOPs should anchor non-negotiable, time-bound minimums where compliance is binary and redress can be automatic. Under this new regulatory approach, these clear backstops grow in importance to ensure broad principles do not dilute practical protection when something goes wrong.

It would also be useful to see analysis of who receives GSOP payments, by income, region, payment method and vulnerability status, so the distributional effects are understood and the framework can be adjusted if protections are not reaching people at higher risk, including those using prepayment.

#### **Question 2. Do you have any comments on our proposed objectives for the GSOP mechanism?**

The proposed objectives are directionally right: set clear minimum service levels, minimise poor service, and provide swift, automatic redress. It would be helpful to add an explicit commitment to monitor distributional outcomes over time and to consider corrective steps if payments are found to be concentrating among higher income households rather than those facing greater risk and hardship.

Publishing aggregate supplier-level GSOP results would also reinforce accountability and help external stakeholders to understand performance without shifting burden onto consumers.

#### **Question 3. Do you have any comments on our proposed criteria for the design of any new Guaranteed Standards, or how we intend to use the criteria?**

Criteria that favour standards with clear, automatable triggers are appropriate. Adding a distributional test at design stage would help ensure standards work in practice for different payment methods and for customers with particular vulnerabilities, including prepayment users who face distinct risks from off supply or self-disconnection. Keeping measurement binary will support consistent enforcement and automatic payment.

#### **Question 4. How effective is the current GSOP framework and individual standards in delivering good consumer outcomes? Please provide evidence where possible.**

The current framework has delivered welcome compensation but has not consistently shifted performance in the areas where harm is now concentrated. It does not fully reflect the issues consumers most often report, especially around billing timeliness and accuracy, complaints resolution and prepayment access, and awareness among consumers appears limited. A targeted

refresh to scope and enforcement is therefore warranted so that GSOPs better align with present day risks and deliver timely, automatic redress where it matters most.

**Question 5. Do you have any views on what would determine if a GSOP or a licence condition is the best tool to improve supplier performance?**

GSOPs are best deployed when the obligation is discrete, timebound, and objectively measurable, with redress payable per affected customer. Licence conditions are better where judgement is inherent, where ongoing process change is needed, or where the issue is continuous rather than event based. This division allows automation for backstop events while retaining targeted rules for broader conduct requirements.

**Question 6. Are there any supplier service areas where it would be appropriate for us to explore new GSOPs, or move an existing licence condition into the GSOP framework?**

We see value in introducing defined GSOPs for the following:

1. Timely and regular billing
  - a. Bill at least quarterly for all customers.
  - b. Missed billing cycles trigger an automatic payment.
2. Accurate billing and prompt correction
  - a. Correct identified errors within eight weeks.
  - b. Errors must not persist beyond the next billing cycle.
  - c. Repeat payment for each further unresolved billing cycle.
3. Priority Services Register meter reading support
  - a. For customers who indicate this need, the supplier or agent must obtain a meter read at least quarterly.
4. Complaints handling and signposting
  - a. No closing of unresolved complaints without the customer's consent.
  - b. Clear signposting to the Energy Ombudsman at eight weeks.
  - c. Implement accepted Ombudsman remedies within one month.
5. Nominated consumer advocate
  - a. Record and act on an authorised advocate when requested.
  - b. Missing or incorrect recording triggers a payment.
6. Back billing
  - a. No back billing beyond 12 months, except in tightly defined licence exceptions.
7. Prepayment protections and reconnection
  - a. Compliance with rules on involuntary installation is a GSOPs event.
  - b. For off supply incidents, contact within 24 hours and support to restore supply quickly.
  - c. After self-disconnection, contact within one week to offer support.
  - d. Attempted disconnection of protected households in winter is a breach that triggers compensation.

8. Translation and accessibility

- a. Provide translation and accessible formats within clear time limits on request.

9. Heat networks

- a. Prepare to extend or mirror relevant standards as the heat networks framework evolves, to maintain parity of protection.

**Question 7. Should any of the current GSOPs be removed, or replaced with a licence condition to better achieve its policy aim?**

No removals are recommended. Where automatic compensation is not suitable, protections should be preserved through targeted licence obligations rather than weakening the baseline. This maintains clarity for consumers and ensures suppliers remain responsible for meeting minimum service levels.

**Question 8. Should we consider expanding the GSOP mechanism to cover non-domestic customers, or a sub-section of non-domestic customers? If so, which existing or potential future standards would be most appropriate?**

N/A

**Question 9. Do you have any views on what the underlying rationale for the payment level and mechanism should be to best achieve the GSOP objectives?**

Payments should deter failure rather than price it in. A uniform base level that is permanently linked to CPI would help ensure deterrence does not fade between formal reviews. Repeat payments for ongoing breaches would ensure the cost to the supplier rises while the customer remains affected, supporting faster resolution and stronger incentives for compliance.

**Question 10. Do you have any views on specific changes to the payment mechanism we should consider, including the examples included in this paper?**

Three refinements would strengthen deterrence while keeping the regime simple to operate: permanent CPI indexation of the base payment; repeat payments at defined intervals where the same breach persists, with clear reset conditions; and limited, objective tiers for higher harm scenarios such as prolonged off-supply or failure to implement accepted Ombudsman remedies, provided automation is preserved.

**Question 11. Are there any issues we should consider with introducing repeat payments for ongoing breaches?**

Clarity on cadence, reset points and evidence will be important. Intervals should be short enough to maintain pressure but simple enough for suppliers to administer without dispute. A cap should only be considered to prevent gaming rather than to dilute deterrence, since the aim is to end the breach quickly.

**Question 12. Are there any issues we should consider with introducing variable payment levels for different consumer groups or severity?**

If variable levels are introduced, the number of tiers should be small and triggers strictly objective. It would be helpful to reflect the higher risks faced by some groups, including prepayment users and those with medical or safety critical needs, while preserving automation and transparency so consumers do not need to claim.



**Question 13. Are there any specific changes to the current set of exemptions that we should consider?**

Exemptions should remain narrow, evidence-based and consistently interpreted. Where supplier or agent systems contribute to the failure, exemptions should not apply. Clear treatment of third-party dependencies would reduce disputes and support timely payment.

**Question 14. Are there any specific changes to the target levels of existing standards that we should consider?**

Align metering and reconnection timelines with the 24-hour off supply contact duty and review switching, billing and refund timeframes to reflect current capabilities.

**Question 15. Are there any improvements we can make to the way we collect data from suppliers specifically on their compliance with the GSOP?**

Periodic publication of supplier level results would strengthen reputational incentives and allow independent scrutiny, without creating additional steps for consumers.

**Question 16. Are there any additional risks that we should consider when exploring our approach to monitoring and ensuring supplier compliance with the GSOP?**

Key risks include uneven interpretation across suppliers, manual processes displacing automation, and system errors that under detect breaches. These can be mitigated through clearer drafting, automation mandates where feasible, and proportionate audit.

**Question 17. Is there a need for any supporting guidance, either aimed at suppliers or consumers, to improve the effectiveness of the GSOP?**

Yes. Short, plain English guidance aligned to the final drafting and typical scenarios would support accurate automation rules and reduce disputes. Worked examples would help suppliers embed the standards consistently and help advisers signpost consumers more effectively.

**Question 18. Is it important that consumers are aware of GSOPs? Why?**

Yes. Awareness helps people understand their rights and recognise when a minimum standard has not been met. At the same time, GSOPs are baseline protections that suppliers should apply automatically, with enforcement led by the regulator. It should not fall to customers to claim or pursue payments, and any awareness activity should complement, not replace, automatic identification and redress.

**Question 19. Are there any actions that Ofgem or suppliers should take to improve consumer awareness of the Guaranteed Standards?**

Practical steps would help. Place a concise summary of the standards on bills and in online account dashboards, with a clear route to more detail and support. Ofgem should publish periodic supplier level results on GSOP performance and payments to reinforce accountability. Suppliers should stop presenting GSOP payments as discretionary gestures and instead communicate that they are mandatory where standards are not met. Throughout, responsibility for detection and payment must remain with suppliers so that customers are not forced to assert or claim their basic rights.

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## References and notes

<sup>1</sup> For more information visit: [www.nea.org.uk](http://www.nea.org.uk).

<sup>2</sup> National Energy Action also works alongside our sister charity Energy Action Scotland (EAS) to ensure we collectively have a UK-wide reach.